

REORGANIZATION PLAN FOR ALTERNATIVE ORGANIZATIONAL STRUCTURE SUBMITTAL SHEET

REC'D APR 15 2011

School Administrative Units Included in APPROVED Notice of Intent	School Administrative Units Submitting Reorganization Plan (Each municipality in a School Union must be indicated separately)
Madawaska School Department	Madawaska School Department
Grand Isle School Department	Grand Isle School Department


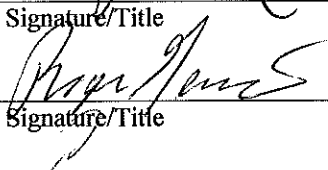
Contact Information:

RPC Chair

Name: Todd E. LeRoy
 Address: 328 St. Thomas Street, Suite 201
Madawaska, ME 04756
 Telephone: 207-728-3346
 email: tleroy@ainop.com

Date Plan Submitted: April 13, 2011

Proposed Alternative Organizational Structure Operational Date: 07/01/2011

 _____ Signature/Title	Chairman	_____ April 13, 2011 Date	_____ Madawaska SAU
 _____ Signature/Title	Chairman	_____ April 13, 2011 Date	_____ Grand Isle SAU
_____ Signature/Title		_____ Date	_____ SAU
_____ Signature/Title		_____ Date	_____ SAU
_____ Signature/Title		_____ Date	_____ SAU
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_____ Signature/Title		_____ Date	_____ SAU
_____ Signature/Title		_____ Date	_____ SAU

(Duplicate as Needed)

Reorganization Plan for Alternative Organizational Structure Cover Sheet

(Please attach Reorganization Plan as Exhibit A)

Required Elements							
Law Reference Item Number Sub- Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ¹	Need Assistance ²
3.A(1)	SAUs included in Alternative Organizational Structure (AOS)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(2)	Size of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Composition of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Apportionment of governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(3)	Method of voting of the governing body		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(4)	Composition of local school committees		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Powers of local school committees		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Duties of local school committees		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(5)	Disposition of real & personal school property		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(6)	Disposition of existing school indebtedness (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disposition of lease-purchase obligations (if not using provisions of section 1506)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(7)	Assignment of school personnel contracts		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of school collective bargaining agreements		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Assignment of other school contractual obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(8)	Disposition of existing school funds and existing financial obligations		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(9)	Transition plan that addresses the development of a budget for the first school year		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Transition plan that addresses interim personnel policies		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(10)	Documentation of the public meeting(s) held to prepare or review reorganization plan		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(11)	Explanation of how units that approve reorganization plan will proceed if one or more units do not approve the plan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(12)	Estimate of cost savings to be achieved		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.A(13)	Such other matters as the governing bodies of the school administrative units in existence on the effective date of this chapter may determine to be necessary		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

² Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

Parameters for Plan Development							
Law Reference Item Number Sub- Chapter 2	Item	N/A	Complete	In Progress	Not Yet Started	Identified Barrier ³	Need Assistance ⁴
3.B(1)	Enrollment meets requirements (2,500 except where circumstances justify an exception ⁵)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-36, Parameter B	When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(2)	Comprehensive programming for all students grades K – 12		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Includes at least one publicly supported high school		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(3)	Consistent with policies set forth in section 1451		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(4)	No displacement of teachers		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	No displacement of students		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.B(5)	The plan must address how the school administrative unit will reorganize administrative functions, duties and non- instructional personnel so that the projected expenditures of the reorganized school unit in the first year of operation during the school year immediately following reorganization for system administration, transportation, special education and facilities and maintenance will not have an adverse impact on the instructional program ⁶		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sec. XXXX-36, 2.C	A notice of intent to engage in planning and negotiations with other school administrative units for the purpose of developing a reorganization plan to form an alternative organizational structure		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.C(1)	A school administrative unit may be designated by the commissioner as part of an AOS. The commissioner may designate an SAU as part of an AOS if the commissioner finds that the proposed organizational structure will result in:						
	Consolidation of system administration		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Consolidation of special education administration, transportation administration and administration of business functions including accounting, reporting, payroll, financial management, purchasing insurance and auditing		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Adoption of a core curriculum and procedures for standardized testing and assessment aligned with the system of learning results established in Title 20-A, section 6209		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Adoption of consistent school policies and school calendars and a plan for consistent collective bargaining agreements		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	A plan for an AOS may include a collaborative agreement under chapter 114 and must include an interlocal agreement under Title 30-A, chapter 115. The plan must include procedures for conducting a kindergarten through grade 12 budget approval pursuant to subparagraph (2)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

³ Please explain why this is a barrier and what assistance you need to remove this barrier on the next page.

⁴ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on page 3.

⁵ Please note in the *Exceptions to 2500 minimum* section on next page

3.B(1) Barrier Response: Enrollment Requirements – As outlined and approved in our “Unique Status” portion of the AOS application, due to the rural nature of the School Departments involved in the consolidation, the documented refusal of other contiguous SAU’s to become part of this consolidation action and the inability to reach the prescribed student enrollment, said enrollment requirements have been waived. No action need be taken or assistance needed, as even with the addition of additional SAU’s there is no possibility of reaching the prescribed student enrollment.

REORGANIZATION PLAN
ALTERNATIVE ORGANIZATION STRUCTURE (AOS)

AOS NAME:

Madawaska/Grand Isle AOS

Plan to Reorganize as an Alternative Organizational Structure.

School Administrative Units (SAUs) submitting:

Madawaska School Department and Grand Isle School Department (hereinafter collectively referred to as "Member School Units").

Contact Information:

Todd LeRoy, Superintendent, Madawaska School Department - 728-3346

Todd LeRoy, Superintendent, Grand Isle School Department - 728-3346

Date Submitted by SAUs: March 28, 2011

Proposed operational date: July 1, 2011

1. **The Units of School Administration to be included in the Proposed AOS**

Madawaska School Department

Grand Isle School Department

2. **The Size, Composition and Apportionment of the Governing Body:**

The Madawaska/Grand Isle AOS shall be governed by an Alternative Organizational Structure (AOS) School Board consisting of representatives of the School Boards of each of the Member School Units, Madawaska School Department and Grand Isle School Department.

The members of the School Board of each Member School Unit located within the AOS shall be the representatives to the AOS School Board as follows.

<u>Member School Unit</u>	<u>Number of Representatives</u>
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Madawaska School Department	5
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Grand Isle School Department	3
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3. **The Method of Voting of the Governing Body:**

The AOS School Board shall use the weighted voting method. Until the next Federal Decennial Census, each member's voting power shall be proportionate to the population of that member's municipalities as shown below:

Member School Unit/Municipality	Population	% of Total Population of AOS	Weighted Vote per SAU	Number of AOS Board Members	Number of Votes per Board Member
Madawaska	4,320	89.60%	896	5	179
Grand Isle	427	10.4%	104	2	52
Total:	4,502	100.0%	1000	7	

The weighted vote of each member of the AOS School Board shall be adjusted after each Federal Decennial Census based on a total of 1,000 votes, plus or minus up to 5 votes for rounding purposes, to reflect the then current population of each Member School Unit in the AOS as a percentage of the total population of all municipalities in the AOS.

4. **The Composition, Powers and Duties of Local School Boards:**

a) Local School Boards. The composition, powers, and duties of the School Boards of the member school units shall remain unchanged except as specifically modified by the attached Interlocal Agreement or as otherwise provided in this plan.

5. **The Disposition of Real and Personal School Property:**

All real and personal property interests, including without limitation, land, buildings, other improvements to realty, easements, option rights, first refusal rights, and purchase rights, and all fixtures, shall remain the property of each Member School Unit except for central office equipment that will be transferred to the AOS.

6. **The disposition of existing school indebtedness and lease/purchase obligations if the parties elect not to use the provisions of Section 1506 regarding the disposition of debt obligation:**

The indebtedness and lease/purchase obligations of the Member School Units will remain with them.

7. **The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations:**

a) School Personnel Contracts

1. AOS System Office. The personnel contracts that will transfer to the AOS from the Member School Units include: Central Office Administration, Administration of Transportation, and Administration of business functions including accounting, reporting, payroll financial management, purchasing, insurance and auditing. All other personnel contracts and school contractual obligations will remain with each member unit. The duties and assignments of all System Office personnel shall be determined by the superintendent or his/her designee consistent with the policies of the AOS Board and may be full or part time including combining of two or more positions.

- b) Collective Bargaining Agreements. Member School Units currently are subject to the following collective bargaining agreements:

<u>SAU</u>	<u>Positions Included in Bargaining Unit</u>	<u>Next Termination Date</u>
Madawaska Classroom Teachers Bargaining Unit	Teachers, librarians	June 30, 2011
Madawaska Educational Support Personnel	Secretaries, Bus Drivers/Custodian, School Cafeteria Staff, Ed. Technicians, Library Clerks, Custodian Supervisor	June 30, 2012

Collective bargaining agreements to which Member School Units are a party shall be retained by the existing Member School Units and will not be transferred to the AOS.

Because the Grand Isle School Department is not a party to any collective bargaining agreements, there is no need of a plan for consistent bargaining agreements within the AOS.

The Superintendent and/or his /her designee will fulfill the designated function of collective bargaining agreement administrator on behalf of the Member School Units to the AOS during the transition process.

8. The disposition of existing school funds and existing financial obligations, including undesignated fund balances, trust funds, reserve funds, and other funds appropriated for school purposes.

All existing school funds and existing financial obligations of the Member School Units will remain with them.

9. A transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies.

The Madawaska and Grand Isle School Boards will jointly prepare a proposed AOS budget for fiscal year 2012 that will allow for a smooth transition of administration lines from the Member School Unit budgets to the AOS budget in the event that the AOS plan is approved. The budget will be presented to the Madawaska/Grand Isle AOS Board for revision and approval at its first meeting.

- a) Transition Plan for Personnel Policies. Present Madawaska personnel policies shall serve as the interim policies for the AOS Central Office personnel until the AOS Board establishes its own policies. All other personnel policies will be governed by their Member School Unit's policies.

10. Documentation of the public meeting or public meetings held to prepare or review the reorganization plan.

The Madawaska/Grand Isle Reorganization Planning Committee met on March 10, 2011 to review the Plan. The agenda and minutes of these meetings are attached to this Plan as Exhibit B. A public hearing will be held in each of the two school units in the proposed Madawaska/Grand Isle AOS region to explain the Reorganization Plan prior to the referendum vote.

11. An explanation of how units that approve the reorganization plan will proceed if one or more of the proposed member of the regional school unit fails to approve the plan.

If the School Reorganization Plan which incorporates the attached Interlocal Agreement is approved by voters of both Madawaska and Grand Isle, the attached Interlocal Agreement shall become operative and the Alternative Organization Structure (AOS) shall be formed. If the School Reorganization Plan is not approved by the voters of both Madawaska and Grand Isle, the School Reorganization Plan and the Interlocal Agreement shall not become operative and the AOS shall not be formed. If the Reorganization Plan does not become operative, the School Departments shall re-start the process to form an AOS or a regional school unit with the same or other school administrative units and may seek assistance from the Department of Education to develop another Reorganization Plan.

12. An estimate of the cost saving to be achieved by the formation of a regional school unit and how these savings will be achieved.

Madawaska performs all Central Office clerical positions and administrative staff will remain the same from 2011/2012 to 2012/2013.

The Central Office staff contracts transferred to the AOS is:

- Superintendent, Madawaska (contract expires new Supt. July 1, 2011)
- Superintendent, Grand Isle (contract expires same as Madawaska)
- Bookkeeper, Madawaska (contract expires n/a)
- Contracts that will be negotiated and approved by the AOS Board

Anticipated savings per school unit for FY 2011 – 2012 are as follows:

District	Anticipated Cost Savings
Madawaska	\$ 0
Grand Isle	\$ 0
Total	\$ 0

In the year FY 2012 -2013 the AOS Board will set a goal to find an additional 5% in cost savings.

13. **Termination of AOS.** Unless otherwise provided by law, the AOS may be terminated upon approval by a two-thirds majority of the full weighted vote of the AOS Board and thereafter with required prior approval of the Commissioner of Education, approval by either Member School Unit, each acting through a meeting or referendum of its voters.
14. **Withdrawal from AOS.** Pursuant to Title 20A M.R.S.A. section 1461-(B)(6), any Member School Unit shall have the authority to withdraw from the AOS at the beginning of any fiscal year provided that such withdrawal is approved by the withdrawing Member School Unit at a referendum of its voters conducted more than sixty days prior to the beginning of that fiscal year.
15. **Amendments to Reorganization Plan.** This Reorganization Plan may be amended upon approval by a two-thirds majority of the weighted vote of the full membership of the AOS School Board, approval by the School Board of each Member School Unit, and approval by each Member School Unit at a meeting or referendum of its voters. All amendments to the Reorganization Plan must have approval of the Commissioner of Education and approved amendments shall then be submitted to the Commissioner of Education for filing with the Secretary of State.
16. **Joinder of Additional Member School Units.** The Madawaska and Grand Isle School Departments are willing to file a notice of Intent with any contiguous Regional School Unit or Alternative Organizational Structure and proceed as outline in Title 20-A 1465.

Subject to approval by the Commissioner of Education, a school administrative unit may join this Interlocal Agreement and the AOS as a Member School Unit upon two-thirds weighted vote of the full membership of the AOS School Board, approval by the School Boards of each Member School Unit and the school board of the school administrative unit proposing to join the AOS, and a favorable referendum vote in each Member School Unit and in the school administrative unit proposing to join the AOS. Prior to calling the referendum votes in the Member School Units, the school administrative unit proposing to join the AOS shall agree in writing to assume

responsibility for the cost of conducting the referendum in each Member School Unit regardless of the final outcome of the referendum. After the AOS becomes operational, the Madawaska and Grand Isle School Boards and the AOS School Board shall be obligated to file reciprocal letters of intent with the Commissioner of Education if any adjoining school unit files a letter of intent to form a reorganization planning committee to join the AOS.

17. Other matters determined to be necessary.

- a) Assets and Liabilities. The Madawaska and Grand Isle School Departments will retain any assets and liabilities related to their prior status as separate school administrative units.
- b) Instructional Impact. The implementation of this plan will have no adverse impact on the instructional program of any school in any of the Member School Units.
- c) Tuition Contracts and School Choice
 - 1. Tuition Contracts. The Grand Isle School Department currently pays tuition to the Madawaska School Department for all of its students. The Town of Grand Isle's students have choice as to which school administrative unit they would like to attend. School choice will be preserved in accordance with applicable law.
- d) Claims and Insurance. Continuity of insurance shall be maintained with the assistance of counsel.
- e) Plan for Consistent Collective Bargaining Agreements. The collective bargaining agreements of the Madawaska School Department shall continue to apply to the covered employees of the Madawaska School Department. The Grand Isle School Department is not a party to any collective bargaining agreements.

f) Incorporation of Interlocal Agreement. The Interlocal Agreement for the creation of the AOS, attached to this Plan as Exhibit A, is expressly incorporated into and made part of the Plan.

g) Cost Sharing of AOS Budget.

1. The Member School Units shall share the local costs of the AOS central office budget on the basis of the average subsidizable student population of the Member School Units as measured on April 1 and October 1 of the three most recent calendar years.
2. The method of cost-sharing of AOS costs may be amended upon approval by a majority weighted vote of the AOS School Board, approval by the School Board of each Member School Unit, and approval by the voters of each Member School Unit at a meeting or referendum.
3. No later than October 31, 2011, the AOS School Board shall establish a subcommittee to review the cost sharing arrangement and shall recommend any necessary changes no later than December 31, 2011.

Exhibit A

Interlocal Agreement for Alternative Organizational Structure 30-A M.R.S.A. Chapter 115

Agreement made as of March 23, 2011 between Madawaska School Department, a Maine school administrative unit acting by and through its governing body and Grand Isle School Department, a Maine school administrative unit, acting by and through its governing body.

WHEREAS, subject to certain conditions of approval, the Member School Units intend to form an Alternate Organizational Structure (hereinafter "AOS") within the meaning of 20-A M.R.S.A. §1, sub-§26(c) and 20-A M.R.S.A. §1461-B for administration of certain aspects of their respective school systems; and

WHEREAS, the Member School Units intend to share services with respect to system administration, transportation administration, professional development and administration of business functions including accounting, reporting, payroll, financial management, purchasing, insurance, and auditing; and

WHEREAS, the Member School Units propose to adopt a core curriculum, procedures for standardized testing and assessment aligned with the system of learning results, a plan for consistent school policies and school calendars, and a plan for consistent collective bargaining agreements; and

WHEREAS, the Member School Units intend to work together to identify additional areas where they may be able to achieve cost savings and/or enhanced educational programming and opportunities for students; and

WHEREAS, the Member School Units are public agencies of the State of Maine within the meaning of Chapter 115 of Title 30-A of the Maine Revised Statutes; and

WHEREAS, 30-A M.R.S.A. §2203 provides that any powers, privileges or authority exercised or capable of exercise by a public agency of the State of Maine may be exercised jointly with any other public agency of the State of Maine by means of an Interlocal Agreement;

NOW, THEREFORE, subject to certain conditions of approval as stated in Paragraph 18 hereof, the Member School Units enter into an Interlocal Agreement pursuant to Title 30-A M.R.S.A. Chapter 115 as follows:

1. **Purpose.** The purpose of this Interlocal Agreement is to reorganize the Member School Units into an Alternate Organizational Structure ("AOS") in order to achieve to goals of Maine's School Reorganization Law, PL 2007, and Ch. 240 as amended, including enhanced student educational achievement and greater efficiency in the administration of public school programs.
2. **Reorganization Plan for an AOS.** The Member School Units have formed a Reorganization Planning Committee (hereinafter "RPC") for the purpose of developing a school reorganization plan for an AOS pursuant to Maine's School Reorganization Law (hereinafter "School Reorganization Plan"). The Member School Units agree to work with the RPC to develop a School Reorganization Plan for an AOS which can be submitted to the Commissioner of Education for approval and then submitted to the voters for approval at referendum in accordance with Maine's School Reorganization Law.
3. **Creation of Legal and Administrative Entity.** The inhabitants of and the territory within the Member School Units are hereby created as a body politic and corporate under the name of Madawaska/Grand Isle AOS. Madawaska/Grand Isle AOS is an Alternative Organizational Structure within the meaning of 20-A M.R.S.A. §1, sub-§26(c) and 20-A M.R.S.A. §1461-B, a school administrative unit within the meaning of 20-A M.R.S.A. §1(26) and 30-A M.R.S.A. §2252, a quasi-municipal corporation within the meaning of 30-A M.R.S.A. §2351(4), a public agency within the meaning

of 30-A M.R.S.A. Chapter 115, and a political subdivision within the meaning of 14 M.R.S.A. Chapter 741, §8102(3), and it shall have all other governmental authority and immunity as may be provided by any other applicable law.

4. **AOS School Board.** The Madawaska/Grand Isle AOS established pursuant to this Interlocal Agreement shall be governed by an AOS School Board comprised of representatives of each Member School Unit as follows:

<u>Member School Unit</u>	<u>Number of Representatives</u>
Madawaska	5
Grand Isle	3

The AOS School Board shall use the weighted voting method. Until the next Federal Decennial Census, each member's voting power shall be proportionate to the population of that member's municipality as shown below:

Member School Unit/Municipality	Population	% of Total Population	Weighted Vote Per SAU	Number of AOS Board Members	Number of Votes per Board Member
Madawaska	4,035	89.6%	896	5	179
Grand Isle	467	10.4%	104	2	52
Total	4,502	100.0%	1,000	7	

The weighted vote of each member of the AOS School Board shall be adjusted after each Federal Decennial Census based on a total of 1,000 votes, plus or minus up to 5 votes for rounding purposes, to reflect the then current population of each municipality in the AOS as a percentage of the total population of all municipalities in the AOS.

A quorum of the AOS School Board shall consist of a majority of the members and a majority of the weighted votes.

The members of the School Board of each municipality in the AOS shall serve as representatives to the AOS School Board. Any vacancy on the AOS School Board shall be filled by the School Board in which the vacancy occurs.

Subject to the effectiveness of this agreement, the AOS School Board shall be established no later than July 1, 2011.

5. **School Systems of Member School Units.** Within each of their respective jurisdictions, Member School Units are currently responsible for operation of the following school grades:

Member School Unit	Grades
Madawaska	Operates grades Pre-K through 12
Grand Isle	Tuition grades Pre-K through 12 to Madawaska

6. **Powers, Authority and Responsibilities.** There shall be an AOS central office under the direction and control of the AOS School Board serving the Member School Units. The AOS central office shall include a superintendent and shall provide for business management, transportation administration, and curriculum coordination. The respective powers and duties of the AOS School Board and Superintendent of Schools shall be governed by State law.

The AOS School Board shall be responsible for overseeing system administration, administration of business functions (including accounting, reporting, payroll, financial management, purchasing insurance and auditing) and development and maintenance of a core curriculum and procedures for standardized testing and assessment aligned with the system of Learning Results for the Member School Units in the AOS.

The AOS School Board shall adopt consistent school policies and consistent school calendars in conjunction with the School Boards of the Member School Units. The covered employees of the Madawaska School Department shall be subject to the collective bargaining agreement of the Madawaska School Department. The Grand Isle School Department is not a party to any collective bargaining agreements.

More specifically, in furtherance and not in limitation of the powers and responsibilities of the AOS School Board as described above, the powers, authority and responsibilities of the AOS School Board shall include the following:

- a) Oversee the operation of the AOS central office;
- b) Annually develop and obtain voter approval for the AOS Central Office budget;
- c) Apportion to each Member School Unit its share of the AOS budget in accordance with the AOS cost sharing formula;
- d) Oversee central office business services, including accounting, reporting, payroll, financial management, insurance purchasing, and auditing for the Member School Units;
- e) Accept and oversee the administration of balances, carryover funds or general reserves as provided in the Reorganization Plan and oversee the expenditure of other reserve funds as approved through the AOS budget process and as permitted by applicable law;
- f) Own or lease and oversee management of AOS central office property and equipment;

- g) To the extent permitted by law, authorize and oversee administration of construction and renovation projects or any part of such projects that pertain to the AOS central office;
- h) To the extent permitted by law, assume and incur debt or obtain other financing for the AOS central office, in addition to the authority of one or more Member School Units to incur debt for that purpose;
- i) Oversee administration of federal, state, and other grants not overseen by the School Boards of the Member School Units;
- j) Oversee filing of all required state and federal reports for the AOS and the Member School Units;
- k) Employ AOS central office personnel and administrators and oversee administration of their wages, hours, and working conditions;
- l) Oversee the supervision and evaluation of and adopt policies applicable to AOS central office employees;
- m) Prepare and implement a plan for consistent collective bargaining agreements in conjunction with the school committees of the AOS Member School Units;
- n) Oversee and maintain a consistent Pre-K-12 core curriculum for Member School Units and procedures for standardized testing and assessment aligned with the system of learning results;
- o) Adopt consistent school policies in conjunction with the School Boards and School Boards of the AOS Member School Units;
- p) Administer and operate the transportation systems for all schools in the AOS and administration of bus purchases and debt repayment for the AOS Member Units as directed by the local School Boards;

- q) Oversee administration of the bookkeeping and reporting requirements for school lunch programs for the AOS Member School Units;
 - r) Accept and oversee expenditure of gifts to the AOS central office;
 - s) Adopt a consistent, but not identical, school calendar for the AOS and Member School Units;
 - t) Oversee contracts and lease agreements relating to the AOS central office;
 - u) Distribute state subsidy among the Member School Units as separate and distinct entities in accordance with the subsidy distribution method described in paragraph 10;
 - v) Oversee administration of this Interlocal Agreement and, as deemed necessary from time to time, propose amendments to this Interlocal Agreement for approval by the Member School Units in accordance with paragraph 15;
 - w) Authorize the Superintendent of Schools, subject to such limitations as the AOS School Board may in its discretion determine, to designate one or more employees of the AOS or Member School Units with administrative certification from the State of Maine to attend meetings of the School Boards of the AOS and Member School Units in place of the Superintendent of Schools.
7. **Other Educational Improvements and Cost Savings.** The AOS and the Member School Units shall work together in a cooperative manner under the leadership of the AOS School Board and the Superintendent of Schools to identify and implement additional measures to improve student achievement and create efficiencies in the delivery of educational services within and among the Member School Units in the AOS.

A particular area of consideration will be existing shared services with regional partners. No later than October 31, 2011, the AOS School Boards shall create a subcommittee to complete a review of all existing contracts for shared services with regional partners. This subcommittee shall report back to the AOS School Board with recommendations for possible efficiencies to be found through the shared services contracts process by no later than December 31, 2011.

8. **Budget Adoption Procedures.** The AOS School Board shall develop each year an annual budget for the AOS which shall be submitted to an AOS budget meeting of the voters of all of the Member School Units prior to calling the budget meetings of the Member School Units. The AOS budget meeting shall be conducted in accordance with the summary cost center budget format, to the extent applicable to the AOS budget, and the budget meeting procedure applicable to a regional school unit, except that the duties of the regional school unit board shall be performed by the AOS School Board. The AOS budget must be approved by a majority of all the voters from AOS Member school units at the AOS budget meeting, not by a majority of the voters from each Member School Unit. Following adoption of the AOS budget at the AOS budget meeting, the AOS School Board shall notify the Member School Units of their respective shares of the AOS budget as approved at the AOS budget meeting calculated in accordance with the cost sharing method in paragraph 9. The School Board of each Member School Unit in the AOS shall then develop its own school budget, including its share of the AOS budget, and submit it to the voters of that Member School Unit for approval in accordance with applicable law. The AOS shall not have taxing power and the allocation of AOS costs to each Member School Unit under the cost sharing method in paragraph 9 shall not constitute the assessment of a tax. The Member School Units shall be solely responsible for raising taxes to pay their respective shares of the AOS budget. Each Member School Unit's share of the AOS budget shall be paid to the AOS as a contractual obligation under the terms of this Interlocal Agreement.

9. Cost Sharing of AOS Budget.

- a) The Member School Units shall share the costs of the AOS budget on the basis of the average subsidizable student population of the Member School Units as measured on April 1 and October 1 of the three most recent calendar years.
- b) The method of cost sharing of AOS costs may be amended upon approval by the AOS School Board, approval by the School Board of each Member School Unit, and approval by the voters of each Member School Unit at a meeting or referendum.
- c) No later than October 31, 2011, the AOS School Board shall establish a subcommittee to review the cost sharing arrangement and shall recommend any necessary changes no later than December 31, 2011.

10. Distribution of State Subsidy. The AOS shall distribute state subsidy received by the AOS to each Member School Unit in the amount calculated and reported for that Member School Unit by the Maine Department of Education. Based on recognizing the AOS member entities as separate discrete school administrative units for the purposes of 20-A M.R.S.A., Chapter 606-B and in accordance with 20-A M.R.S.A., Section 1461-B, § 4, the member entities shall provide any separate discrete data that is necessary for the Department of Education to perform calculations.

11. Real Estate and Personal Property. All real and personal property belonging to Member School Units shall remain the property of those Member School Units. Any personal property acquired for the operation of the AOS central office shall be owned by the AOS.

12. School Closing. The closing of a school within a Member School Unit in the AOS shall be determined by the governing body and voters of that Member School Unit in accordance with applicable law. The AOS school board and the voters of the AOS shall have no authority to close a school within a Member School Unit.

13. **Termination of Interlocal Agreement.** Unless otherwise provided by law, this Interlocal Agreement may be terminated upon approval by a two-thirds majority of the weighted vote of the full membership of the AOS Board and thereafter, approval by the voters of at least one of the Member School Units, each acting at a duly called meeting or referendum.
14. **Withdrawal from Interlocal Agreement.** Pursuant to Title 20A M.R.S.A. section 1461-(B)(6), any Member School Unit shall have the authority to withdraw from the AOS at the beginning of any fiscal year provided that such withdrawal is approved by the withdrawing Member School Unit at a referendum of its voters conducted more than sixty days prior to the beginning of that fiscal year.
15. **Amendments to Interlocal Agreement.** This Interlocal Agreement may be amended upon approval a two-thirds majority of the weighted vote of the full membership of the AOS School Board, approval by the School Board of each Member School Unit, by approval of the voters of each Member School Unit at a duly called meeting or referendum. All amendments to the Reorganization Plan must have approval of the Commissioner of Education and approved amendments shall then be submitted to the Commissioner of Education for filing with the Secretary of State.
16. **Joinder of Additional Member School Units.** The Madawaska and Grand Isle School Departments are willing to file a notice of Intent with any contiguous Regional School Unit or Alternative organizational Structure and proceed as outline in Title 20-A 1465.

Subject to approval by the Commissioner of Education, a school administrative unit may join this Interlocal Agreement and the AOS as a Member School Unit upon two-thirds vote of the full membership of the AOS School Board, approval by the school boards of each Member School Unit and the School Board of the school administrative unit proposing to join the AOS, and a favorable referendum vote in each Member School Unit and in the school administrative unit proposing to join the

AOS. Prior to calling the referendums in Member School Units, the school administrative unit proposing to join the AOS shall agree in writing to assume responsibility for the cost of conducting the referendum in each Member School Unit regardless of the final outcome of the referendum.

17. **Duration.** This Interlocal Agreement shall remain in effect from the date that the AOS becomes operational until this Agreement is terminated pursuant to Paragraphs 13 or 14.

18. **Conditions of Approval.** The approval of this Interlocal Agreement by the governing body of each Member School Unit is contingent upon and subject to 1) submission of a School Reorganization Plan for an AOS which incorporates this Interlocal Agreement to the Commissioner of Education by the governing body of that Member School Unit, 2) approval of that School Reorganization Plan by the Commissioner of Education, and 3) approval of that School Reorganization Plan by the legislative body of that Member School Unit at referendum in accordance with this paragraph. This Interlocal Agreement shall not become effective, and the AOS shall not become operational, with respect to any Member School Unit whose governing body fails to submit the School Reorganization Plan for an AOS to the Commissioner of Education nor with respect to any Member School Unit if the legislative body of that Member School Unit fails to approve the School Reorganization Plan incorporating this Interlocal Agreement.

19. **Filing of Agreement.** Before becoming effective, this agreement shall be filed with the Secretary of State, the clerk of each municipality within the AOS, and the secretary of each Member School Unit within the AOS.

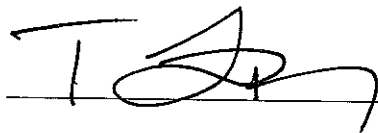
20. **Miscellaneous Provisions.**

- a) This Agreement shall be construed and enforced in accordance with the laws of the State of Maine.

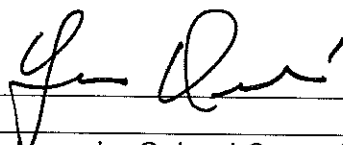
- b) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- c) This Agreement constitutes the entire Agreement between the parties, supersedes all prior negotiations and understandings among them and shall not be altered or amended except as provided herein.
- d) This Agreement may be simultaneously executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall constitute one and the same instrument.
- e) The headings in this Agreement are for convenience of reference only and shall not affect in any manner any of the terms and provisions hereof.
- f) Madawaska/Grand Isle AOS is a temporary name to be replaced by a more permanent name to be decided at a later date by the AOS School Board after consultation with the students in the Member School Units. When/if a new name is chose, a request will be made for a new "Certificate of Organization" from the Maine Department of Education.

WITNESS:

Madawaska School Department



BY:



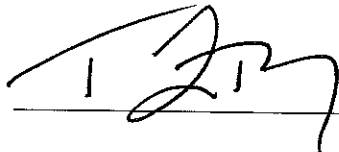
, Chair

Madawaska School Committee

Date: 3/23/, 2011

WITNESS:

Grand Isle School Department



BY:



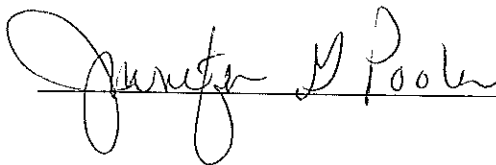
, Chair

Grand Isle School Committee

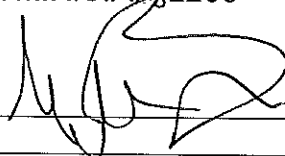
Date: 3/23/, 2011

WITNESS:

APPROVED PURSUANT
TO 30-A M.R.S.A. §2205



BY:



State of Maine

Commissioner of Education

Date: April 15, 2011

EXHIBIT B

Minutes of the AOS Planning Committee Meeting held March 10, 2011 at 6:00 p.m. at the Madawaska Superintendent's Conference Room.

PRESENT: Veronica Kohr
Roger Thibodeau
Gordon Soucy
O'Neil Clavette
Rachel Cyr
Dayton J. Cannan

Todd E. LeRoy, Superintendent
and Recorder

I. The meeting was called to order at 6:00 p.m.

II. Sign In and Introductions.

Committee members signed in and introductions were made.

III. Discussion of Purpose.

Mr. LeRoy discussed the purpose of the committee and of the process that they would be following.

IV. Review Sample Plan.

The committee reviewed the sample plan thoroughly, made some revisions, asked questions.

V. Approval of Plan to School Committees.

Roger Thibodeau moved to accept and forward the revised plan to the Madawaska and Grand Isle school committees for their approval. Seconded by Veronica Kohr and so passed 6-0-0.

VI. Roger Thibodeau moved to adjourn meeting at 7:56 p.m. Seconded by Dayton Cannan and so passed 6-0-0.

Agenda

**Grand Isle/Madawaska School Departments
Alternative Organizational Structure
Planning Committee Meeting
Thursday, March 10, 2011
6:00 P.M.**

- I. Call To Order**
- II. Sign In and Introductions**
- III. Discussion of Purpose**
- IV. Review Sample Plan**
- V. Approval of Plan to School Committees**
- VI. Adjourn**

Roster

Grand Isle/Madawaska School Departments Alternative Organizational Structure Planning Committee

Please Print and Sign Name where Appropriate

Grand Isle Committee Member

<u>Veronica Kohr</u>	<u>Veronica Kohr</u>
Print	Sign

Madawaska Committee Member

<u>Roger Thibodeau</u>	<u>RTK</u>
Print	Sign

Grand Isle Selectman

<u>GORDON SOUCY</u>	<u>Gordon Soucy</u>
Print	Sign

Madawaska Selectman

<u>ONEIL L. CLAVETTE</u>	<u>Oneil L. Clavette</u>
Print	Sign

Grand Isle Citizen At Large

<u>Rachel Cyr</u>	<u>Rachel Cyr</u>
Print	Sign

Madawaska Citizen At Large

<u>DAYTON J. CANNAN</u>	<u>Dayton Cannan</u>
Print	Sign